



2001 YEAR END REPORT

U. S. SENATOR
CHUCK HAGEL

February, 2002

Dear Friends,

The terrorist attacks of September 11th changed America and the world forever. As a response to this unprecedented attack our nation came together and showed the world that we would not cower in fear or be intimidated by terrorism.

Our war against terrorism will be long. Difficult challenges lie ahead. But with sustained American commitment and leadership, and with the support of our friends and allies we will build a safer, more stable and more just world.

We begin this new year with many national security and domestic issues at the forefront. As I have done every year, I wanted to give you a 2001 Congressional Report to keep you informed on some of the action taken last year on issues of importance to our state and nation.

As I traveled all across Nebraska last year, I appreciated hearing your thoughts and concerns. I value your opinions, and encourage you to continue to let me know what you think. I look forward to visiting with many of you throughout the year in Nebraska and Washington.

Happy New Year!

Sincerely,



Senator Hagel visits with U.S. troops in Pakistan.

MAJOR ISSUES IN CONGRESS IN 2001

National Security

The world remains an uncertain and dangerous place. Our men and women in uniform stationed around the globe are our front line of defense and security. Last year, we increased defense spending by \$26.6 billion to meet our nation's security needs, and to help the Pentagon transform our military to meet the threats of the 21st Century. The President has proposed a \$48 billion increase for national security in this year's budget.

American Troops - I visited Afghanistan, Pakistan, and Central Asia recently and met several young men and women from Nebraska. There are many Nebraskans fighting the war against terrorism all over the world and at home. We are grateful for their service and proud of them.

Homeland Security - On September 11th, President Bush established the Office of Homeland Security. Its mission is to develop and coordinate the implementation of a comprehensive national strategy to protect the United States from terrorist attacks. Director Tom Ridge will coordinate the government's anti-terrorism efforts.

Bioterrorism - We learned that bioterrorism is a very real threat. In order to help our federal, state and local governments prepare for, respond to and prevent future chemical, biological and

agricultural attacks, I introduced legislation that would provide first responders with essential training and resources. This bill was incorporated into comprehensive legislation that passed the Senate and is now in conference with the House. UNMC and the National Public Health Lab have worked with the U.S. Department of Health and Human Services and Centers for Disease Control (CDC), prior to and after September 11th, on a bioterrorism plan to protect, prevent and respond to bioterrorism.

Airline Security Bill - The Congress passed and the President signed an airline security bill. This legislation will increase the safety of air travel by creating new federal security standards and oversight. These measures will provide travelers a renewed sense of confidence and security in our air transportation system.

Pay Raise for Military Personnel - The men and women in uniform must be fairly compensated for their service and professionalism. The 2002 Defense Authorization Bill includes a military personnel pay raise of between 5% and 10%, depending on the service member's pay grade and years of service. This is the largest pay increase for the military in 20 years.

Anti-Ballistic Missile (ABM) Treaty - President Bush last year announced the United States would withdraw from the

ABM Treaty in order to allow the U.S. to move forward in building a missile defense system. In 1999, I voted for legislation calling on the United States to develop a missile defense system as soon as technologically feasible. The President's decision will allow the United States to take the necessary steps to protect our country from the real threat of nuclear missile attack. The world has changed since the ABM treaty was signed between the U.S. and the Soviet Union in 1972. We must address the new national security threats that a different world presents with new responses and defenses.

Tax Relief

Historic Tax Cut Legislation - Last year, the Congress passed and the President signed the largest tax cut since 1981. The new tax cut provides tax relief for all Americans and will return \$1.35 trillion to the American people over the next ten years. The legislation cut personal income-tax rates, repealed the estate tax, reduced the marriage penalty tax, doubled the child tax credit, strengthened pension security and provided tax relief for educational expenses. Nebraskans already received the first installment of this tax cut through a rebate check this last year.

The tax cut will sunset after ten years. Under Senate budget rules, 60 votes

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MAJOR ISSUES IN CONGRESS IN 2001

Senator Hagel talks to State Senator Jim Jones about agriculture issues at the Cattleman's Ball in Valentine.



would have been required to make the tax cuts permanent. An effort has already begun in the Congress to make the tax cuts contained in the Tax Relief Bill permanent. I will continue to work with my colleagues to make this happen.

Agriculture

Farm Bill - The Senate brought up the farm bill very late last year when there was little opportunity for a full debate, and continued debate early this year. In February the Senate voted 58-40 for a farm bill. I voted against it. One of the biggest problems with the bill is the water conservation provision which would lead to Federal intervention in states' and individual water rights. The bill would also continue to subsidize overproduction, keep commodity prices low, inflate rental rates and land values, and violate trade agreements. The Senate did, however, pass my payment limits amendment which helps the family farmer and the amendment that prohibits packers from owning and feeding livestock. The Senate bill has been sent to conference committee with the House to resolve the differences between the two bills. I believe we can get a responsible farm bill that our producers deserve and I will support.

Agricultural Funding - In response to continued depressed commodity prices, I supported \$5.5 billion in emergency farm payments approved by Congress last year. In addition, Congress set aside an extra \$73.5 billion over ten years for agriculture, of which \$7.35 billion may be used for emergency spending this year.

Education

Education Bill - As a parent and U.S. Senator, I believe that education is a local issue where decisions are made by those who know our children best – parents, teachers, administrators, and local school boards. This is why I voted

against the 2001 Education Bill that recently was signed into law.

The new law places extensive new federal mandates on states and local school districts. These new requirements include such things as mandatory annual testing for students in grades 3-8, standards for teachers and teacher aides, and other federal mandates. On the federal testing requirement, I was particularly concerned that these rigid federal tests would not give Nebraska the flexibility to fully implement their own new testing standards. Nebraska has already spent millions of dollars to implement its system, and will be forced to spend additional funds to comply with the federal guidelines. I will continue to work with Nebraska education officials and the Education Department to allow our state as much flexibility as possible under this new law.

Individuals with Disabilities Education Act (IDEA) - When Congress passed IDEA in 1975, the federal government agreed to provide 40% of the cost to provide educational services to students with disabilities. Currently, the federal government provides only 17% of the cost, which has required states and school districts to pick up the rest of the cost. Last year, I offered an amendment to the education bill that would have ensured the federal government meet its commitment to fully fund IDEA. While my amendment passed the Senate, it was not included in the final education bill. The IDEA program will be re-authorized this year, and I will again introduce my IDEA bill.

Impact Aid - The Impact Aid program provides federal funds to schools that serve students living on federal property, including military bases and Indian reservations. This is an important program for Nebraska, particularly for the schools near Offutt Air Force Base in Bellevue, and the Winnebago, Omaha, and Santee

reservations. This past year I offered an amendment to the education bill that would have restructured the Impact Aid construction program to streamline the program and improve its administration. This amendment, although approved by the Senate, was not retained in the final education bill. My colleagues and I were successful in increasing funding for this vital program by \$128 million to \$1.23 billion for Fiscal Year 2002. I will introduce legislation to address the construction issue again this year.

Energy / Environment

President's Energy Plan and Congressional Energy Legislation - The energy problems facing America are among our most pressing and serious challenges. America must have a national energy policy that ensures we have reliable, stable, environmentally sound and affordable domestic sources of energy. The Administration laid out an energy policy last year which would help achieve these goals and promote renewable fuels such as ethanol, biodiesel, wind, solar, and geothermal energy.

The House passed a comprehensive energy bill last year. Unfortunately, attempts to pass a bill out of the Senate Energy Committee, on which I serve, were blocked. The Senate will take up an energy bill early this year.

Renewable Fuels - Last year, I introduced the Renewable Fuels for Energy Security Act (S. 1006) to ensure an increased market share for ethanol and biodiesel over the next 15 years. This is important to help reduce our reliance on foreign sources of oil, and increase our environmentally sound use of products grown here at home. A Renewable Fuel Standard has been included in the Senate energy bill which will be taken up soon.

Climate Change - Last year, I introduced legislation to create a national strategy for addressing global climate change that relies on sound science, technology, and research. This bill will create a national registry to track voluntary actions taken to reduce greenhouse emissions and will increase funding for the research and technology to reduce greenhouse gas emissions. These combined efforts will help us better understand climate change and help reduce greenhouse gas emissions without harming our economy or our quality of life.

Electricity Generated From Renewable Energy - I am a cosponsor of the "Renewable Energy Production Incentive Reauthorization and Reform Act". This bill provides financial incentives to consumer owned utilities - so that public

power and co-operatively owned utilities can invest in renewable energy, just as investor-owned utilities do now. It is a common sense approach to encouraging development of renewable energy technologies. This legislation has been included in the Senate energy bill which we will begin debate on soon.

Health Care / Medicare

Medicare Prescription Drug Coverage - Last year, I again introduced the Medicare Rx Drug Discount & Security Act (S.1239) to provide seniors with access to prescription drug discounts and catastrophic coverage. This legislation formed the basis of President Bush's discount prescription drug card for Medicare recipients. Many private pharmaceutical companies have now also introduced their own discount drug cards for seniors. These are encouraging developments. We still have much work to do and I will continue to work with my colleagues and the administration to address the rising cost of prescription drugs.

Patients Bill of Rights - All Americans should have access to quality health care and I support legislation that would promote choice and affordability. In 1999, I served on a health task force that wrote a patients bill of rights that passed the Senate but did not reach the President's desk. Early last year, the Senate took up and passed McCain-Edwards-Kennedy patients' rights legislation. While I support the overall goal of this bill, it would increase insurance premiums, increase the number of uninsured Americans, and preempt important state laws. I worked with many of my colleagues to make improvements to this legislation, but the final bill changed very little and I ultimately voted against it. The House has also passed its version of patient protection legislation and now the differences between these two bills must be resolved. It is my hope that a sensible resolution can be reached this year.

Nurse Shortage - The Senate last year passed the Nurse Reinvestment Act, S.1864. I am an original cosponsor of this legislation that will create a National Nurse Corps Scholarship program and provide grants to schools and health care facilities to recruit, train, and retain nurses. This legislation must now be considered by the House.

Trade

Trade Promotion Authority (TPA) - The Senate must pass TPA to help boost exports for Nebraska and the United States. Every President since 1974 except President Bush has had this authority. It expired in 1994. Last year, the House passed TPA as well.

Trade agreements that open markets around the world to U.S. goods and ser-

vices are stalled because there is no TPA. I will continue to urge the Senate leadership to bring the TPA bill to the floor for a vote as soon as possible.

Vietnam Bilateral Trade Agreement - Last year, the United States and Vietnam signed a bilateral trade agreement which I supported. This important agreement represents a major step toward opening new trade opportunities in Vietnam for American exporters.

Under the agreement, Hanoi has agreed to undertake a wide range of market-liberalization measures, including extending MFN treatment to U.S. exports, reducing tariffs on U.S. goods, easing barriers to U.S. services such as banking and telecommunications, protecting certain intellectual property rights and providing additional inducements and protections for inward foreign direct investment. Vietnam is the world's 13th most populous country with 78 million inhabitants. The agreement is likely to boost U.S. exports to Vietnam by requiring Vietnam to open many of its sectors to trade, to expand legal protections for foreign investors, and to make its commercial legal process more transparent and judicial.

Sanctions on Exports to Cuba - In 2000, Congress passed legislation that I authored which finally opened Cuba and other nations to the export of U.S. food and medicine. U.S. law, however, prohibits financing these exports. Without financing, U.S. exporters cannot compete with European exports to Cuba. Last year, I proposed a bill that would allow such financing so that Nebraska farmers can sell their products to Cuba. I will continue to work with my colleagues on this issue.

Veterans Issues

Free people pay a price for their freedom – sometimes a heavy price. Because of generations of selfless, courageous Americans, we live in a just and free land. Too often we forget the sacrifices made by our veterans and their families.

Moment of Remembrance - On Memorial Day last year, a National Moment of Remembrance was observed by people everywhere at 3:00 p.m. (local time). This was the result of a resolution I authored that encourages all of us to take time out from our busy lives to appropriately honor America's fallen heroes each Memorial Day at 3:00 p.m. local time.

Veterans History Project - Last year on Veterans Day several of my Congressional colleagues, fellow veterans and I officially announced the Veterans History Project. As a member of the Five Star Council, our goal was to establish a collection of video and audio recordings of personal histories and testimonials from American war veterans at the Library of Congress. This collection of history is essential because it captures the past for future generations.

Vietnam Veterans Memorial Education Center - Last year, I continued to work on legislation which would create an education center at the Vietnam Veterans Memorial. The purpose of the center is to give visitors, particularly our young people, a better understanding of the Vietnam War, its history and the men and women who fought it. The Energy Committee held hearings on this legislation last year. I will continue to work with my colleagues to make the education center a reality.

Immigration

Enhanced Border Security and Visa Entry Reform Act - Last year, I joined a bipartisan group of Senators in cosponsoring the Enhanced Border Security and Visa Entry Reform Act, which takes steps to eliminate points of vulnerability at our Nation's borders. This legislation gives our federal enforcement agencies the necessary tools to coordinate their efforts against terrorists before they strike. The House passed this legislation late last year. I will continue to work with my Senate colleagues to ensure that this important legislation is brought to the Senate floor for a vote this year.



Senator Hagel speaks to students at Humann Elementary School in Lincoln.

MAJOR ISSUES IN CONGRESS IN 2001

Section 245(i) Extension Act of 2001 - Also last year, I introduced legislation to extend the deadline to apply for American citizenship under Section 245(i) of the Immigration and Nationality Act. This extension allows certain eligible immigrants, based on their family relationship and employment or community ties, needed time to adjust their immigration status under Section 245(i) of our immigration law. I introduced this legislation because I believe we must work to help businesses retain key employees and give strong immigrant families with community ties the opportunity to stay together. We welcome immigrants who are honest, hard working, family oriented individuals who will enhance our society like immigrants have done for hundreds of years.

Transportation

Railroad Retirement Legislation - President Bush signed the Railroad Retirement and Survivors' Improvement Act into law (Public Law 107-90) late last year. I was an original cosponsor of this legislation and voted for it. This bill reforms, strengthens and modernizes the railroad retirement system so that railroad workers and their families can enjoy the same type of retirement benefits that many private sector and Federal government employees receive now.

Essential Air Service - Last year the Congress appropriated \$113 million for Essential Air Service (EAS), nearly doubling the amount spent in 2000. A por-

tion of the funds will provide direct assistance to existing air service to small communities in Nebraska, ensuring they have access to the same opportunities as their urban counterparts.

Campaign Finance Reform

America needs a campaign finance system that's more accountable and open. But any reform should be Constitutional, protect the rights of Americans to participate in the political process, enhance individual participation, and not weaken the political parties.

McCain-Feingold Bill / Hagel Legislation - Last year the Senate passed "McCain-Feingold" campaign finance reform legislation. I voted against this bill because I believe it is unconstitutional and it would have serious, unintended consequences on our political system. During the Senate debate, I offered three amendments based on my own campaign finance reform legislation. My amendments were straightforward: 1) increase disclosure, (2) cap "soft money" contributions and

limit its use to volunteer-intensive activities, and (3) increase "hard money" contribution limits, which are already fully reported. My amendments to increase disclosure on outside groups and individuals and hard dollar contribution limits both passed the Senate and were included in the final bill.

The House recently passed similar legislation, with which I have the same concerns. Once the Senate and House resolve their difference in the legislation, we will be presented with the conference report. I will support campaign finance legislation that creates a more accountable system, while protecting the rights of Americans to participate in the political process. If the final legislation does not achieve this and would in fact harm the democratic process, I will oppose it.

Senator Hagel was the keynote speaker at the Vietnam Veterans Memorial in DC for the 2001 Memorial Day program.





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YEAR END REPORT
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CHUCK HAGEL



HELP US FIND
JILLIAN "JILL" DEE CUTSHALL
From: Norfolk, Nebraska
Missing: 8-11-87 D.O.B. 2-19-78
Sex: Female
Race: White
Weight: 60 lbs.
Height: 3 ft. 6 in.
Hair: Blonde
Eyes: Blue



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